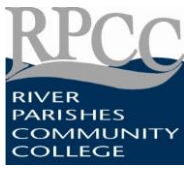


Corporate Liability “LaCarte” Purchasing Card Policy

September 2, 2014



LaCarte Purchasing Card Program Policy Statement

1. This policy covers “LaCarte,” the Purchasing card program (P-card) and establishes minimum standards possession and use. LaCarte is a tool used to assist in the management of purchasing, payment, and accounting. LaCarte is a Visa card issued by Bank of America for the State of Louisiana. This card will enable employees to purchase items with the convenience of a credit card, while providing management with a means of maintaining control over those purchases. The use of this card will improve efficiency and effectiveness by reducing costs associated with processing purchases and payments and will allow for the receipt of goods on a timely basis.
2. RPCC allows a maximum Single Purchase Limit (SPL) of up to \$5,000. Multiple purchases may be made with the P-Card for contract purchases, each day, up to but not exceeding \$5,000 per contract.
3. Small Purchase Executive Order, Section 6, reads “In the absence of good faith business basis, no purchase or procurement shall be artificially divided within a cost center or its equivalent, to avoid the competitive process or the solicitation of competitive sealed bids.”
4. Excerpt of Small Purchase Executive Order, Section 4: Except as otherwise provided in this Order, all small purchases shall be made in accordance with the following minimum procedures:
 - A. No competitive process is required for purchases not exceeding five thousand dollars (\$ 5,000) per single purchase transaction.
5. Purchases should never be artificially divided to avoid the LaCarte policy limits or placed on different cards within RPCC.
6. Current Purchasing Policies, Rules and Regulations, Louisiana Statutes, Executive Orders and/or State Purchasing Card Policy, as well as RPCC Policy must always be followed during the use of the LaCarte Purchasing Card. Copies of State of Louisiana “LaCarte” Purchasing Card Policy, Rules and Regulations, LA Statutes and Executive Orders may be viewed/obtained from the State Purchasing Website at www.doa.louisiana.gov/ops/traveloffice.htm. PPM 49 (General Travel Regulations) must be followed when using the LaCarte Purchasing Card for travel purposes.
7. All program participants, i.e. program administrators, cardholder, CBA, administrators and cardholder approvers are required to complete an online certification class, annually, receiving a passing grade of at least 90 in order to receive a new p-card, a renewal p-card, remain as CBA administrator, or remain as a cardholder approver. These certifications will be developed and updated, as necessary, by the Office of State Purchasing and Travel, and RPCC will be notified as soon as they are approved. All program participants will be given ample time to obtain this certification once notified.

Note: The certification class for the CBA administrator would be the same as a cardholder’s certification.

A cardholder’s approver must be a supervisor of the cardholder which would be at least one level higher than the cardholder. The approver must be the most logical supervisor



which would be most familiar with the business case and appropriate business needs for the cardholder’s transactions.

To allow for proper and complete program audits, all program participants, including public post secondary, will be mandated to implement WORKS Workflow, which is an online system through Bank of America. The system captures transactions; Workflow requires both cardholders and cardholder approver’s electronic signatures, along with the ability to maintain receipts and backup supporting documentation in one central location through the scanning feature which is also being mandated, therefore, assisting with audits and reviews. The system allows for an additional level of approvals, beyond the cardholder and approver. Another function of Workflow allows accounting information to be coded by the cardholder for each transaction. The accounting function is mandated for ISIS/LaGov interfaced agencies which would ultimately be interfaced to the ISIS and LaGov systems. For all other agencies/post secondary/board/commissions, which are not ISIS/LaGov interfaced agencies, although it is still mandated for the agency to utilize Workflow including scanning capabilities, the agency will not be required to interface with any accounting system. Note: RPCC is not an ISIS/LaGov interfaced agency.

RPCC program participation requires annual review of RPCC’s program conducted by LCTCS’ internal audit section.

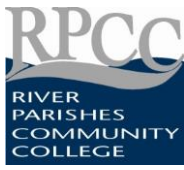
All receipt and supporting documentation must be scanned and tied to the applicable transaction and not as one image for all transactions.

8. The Chancellor will be responsible for designating Agency P-Card/CBA Program Administrators and for notifying the Office of State Purchasing and Travel of any changes.

DECLARED EMERGENCY USE

In the event the Governor declares a state of emergency, the P-Card may be changed to allow higher limits and opening of certain MCC codes for essential employees who are cardholders that would be active during an emergency situation and not for ALL cardholders. An emergency profile must be created in WORKS which shall not exceed the following limits without prior approval from Office of State Purchasing and Travel: SPL (single purchase limit) \$25,000. Travel and Rest MCC Groups may be removed if determined to be necessary for group accommodations; however, the Cash MCC Group must remain attached to the profile at all times, as the use of cash is never allowed, even during emergency situations.

Higher limits do NOT eliminate the need to follow emergency procurement rules, policies, procedures, and/or executive orders.



DEFINITIONS

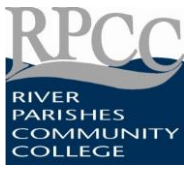
1. Approver - individual within RPCC who is responsible for verifying that all charges against the cardholder’s account are authorized and supported by adequate documentation. This may or may not be the cardholder’s direct supervisor.
2. CBA (Controlled Billed Account) – a credit account issued in RPCC’s name (no plastic cards issued). These accounts are direct liabilities of the State and are paid by RPCC. CBA Accounts are controlled through an authorized approver(s) to provide means to purchase any allowed transactions/services allowed in the current State Liability Travel Card and CBA Policy. Please note that although other travel related charges are now allowed on the CBA account, the traveler needs to ensure that the actual “plastic” is not necessary, as there is no plastic issued for a CBA Account.
3. Cardholder - employee whose name appears on the card and who is accountable for all charges made with the card.
4. Cardholder Agreement Form - an agreement signed by the cardholder, prior to being issued a LaCarte purchasing card, which verifies that the cardholder has read and understands the policies and procedures of the State and RPCC, and agrees to comply with them.
5. Cardholder Enrollment Form - a form containing pertinent information on a cardholder necessary for statement and information mailing purposes, contact information, daily/monthly spending limits and budgetary controls. The form must be submitted by the cardholder to the Program Administrator for completion and approval.
6. Credit Card - a Visa card issued by Bank of America for State of Louisiana for the purpose of making authorized purchases on behalf of RPCC.
7. Cycle – the period of time between billings. For example the State of LA P-Card closing period ends at midnight the 5th of each month.
8. Cycle Limit – maximum spending (dollar) limit a P-Card/CBA is authorized to charge in a cycle. These limits should reflect the individual’s purchasing patterns. These are preventative controls and, as such, should be used judiciously.
9. Denied Item - a purchase that has been determined by the Supervisor/Reviewer as a non work related purchase and not acceptable for payment. This item must be returned for a credit memo or, if not returnable, employee must reimburse RPCC. Continued purchases of this type will result in disciplinary action.
10. Disputed Item – any transaction that was double charged; charged an inaccurate amount, or charged without corresponding good or services by the individual cardholder.
11. Electronic Fund Transfer (EFT) – an electronic exchange or transfer of money from one amount to another, either within the same financial institution or across multiple institutions.

12. Electronic Signature – an electronic sound, symbol or process attached to or logically associated with a record or executed or adopted by a person with the intent to sign the record.
13. Fraud – any transaction, intentionally made, that was not authorized by the cardholder or not for Official State Business.
14. Incidental Expense – if travel expenses have been approved, these are expenses incurred while traveling on official state business which are not allowed on the state liability purchasing card. Incidentals include, but are not limited to, meals; fees and tips to porters, baggage carriers, bellhops, hotel maids; transportation between places of lodging/airport such as taxi; phone calls; and any other expense not allowed in the State Liability Travel Card and CBA Policy.
15. INTELLILINK – Visa’s web-based auditing tool which is used to assist with monitoring and managing RPCC’s card program usage to ensure that card use conforms to all policies and procedures.
16. ISIS – State of Louisiana’s integrated system used for accounting, financing, purchasing, and contracting functions.
17. LaGov – State of Louisiana’s newest integrated system used for accounting, financing, logistics, human resources, travel and data warehouse storage and reporting.
18. MCC Code (Merchant Category Code) – a standard code the credit card industry uses to categorize merchants based on the type of goods or services provided by the merchant. A merchant is assigned an MCC by the acquiring bank.
19. Merchant Category Code Group (MCCG) – a defined group of merchant category codes. MCCGs are used to control whether or not cardholders can make purchases from particular types of merchants.
20. Merchant – a business or other organization that may provide goods or services to a customer.
21. Billing Statement of Account - a listing of all transactions charged to the cardholder’s account through the end of the monthly billing cycle. This statement is sent by the bank, directly to the cardholder, on a monthly basis for reconciliation purposes. This is not a bill. The cardholder must reconcile this statement upon receipt and forward it to the Approver to accompany transaction documentation at the time of review and approval.
22. Monthly Spending Limit - a dollar limit assigned to the cardholder for the total of all charges made during the monthly billing cycle.
23. PPM 49 (Policy Procedure Memorandum 49) – the state’s general travel regulations. These regulations apply to all state departments, boards and commissions created by the legislature or executive order and operating from funds appropriated, dedicated, or self sustaining; federal funds, or funds generated from any other source.
<http://doa.louisiana.gov/osp/travel/travelpolicy/2013-2014travelguide.pdf>



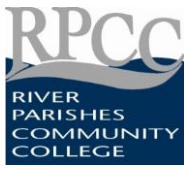
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24. Program Administrator - liaison between the cardholder, RPCC LaCarte Administrator, State Program Administrator and Bank of America. Provides support and assistance to all agencies, processes new card applications and changes to cardholder information, provides training and maintains policies and procedures. Maintains user login id and passwords for all RPCC users. Maintains hierarchal structure for all RPCC roles.
25. Single Purchase Limit (SPL) – the maximum spending (dollar) limit a P-Card is authorized to charge in a single transaction. The SPL limit may be up to \$5,000; however, this limit should reflect the individual’s purchasing patterns. These are preventative controls and, as such, should be used judiciously. Purchases shall not be split with the intent of and for the purpose of evading the P-Card single purchase limit set for cardholders.
26. P-Card – a credit card account issued in an employee’s name. This account is a direct liability of the State and is paid by each agency.
27. Billing Cycle Purchase Log - Printed from WORKS to document the online reconciliation process for purchases/services charged during the billing cycle. The Billing Cycle Purchase Log is printed and filed with the billing statement and the transaction documentation obtained from the merchant.
28. Transaction – a single purchase. A credit also constitutes a transaction.
29. Transaction Documentation – all documents pertaining to a transaction, both paper and electronic. The documentation is also used for reconciliation at the end of the billing cycle and is to be retained with the monthly reconciliation documentation for review and audit purposes. Examples of transaction documentation include, but are not limited to: itemized purchase receipts/invoices (with complete item descriptions, not generic such as “general merchandise), receiving documents, credits, disputes, and written approvals. If travel has been approved, documentation should also contain airline exceptions, justifications, approvals, travel authorization, travel expense, etc.
30. WORKS – Bank of America’s web-based system used for program maintenance, card/CBA issuing/suspension/cancellation and reporting.
31. WORKS Workflow – Bank of America’s online system that includes user profiles and transaction workflow.



Cardholder Enrollment

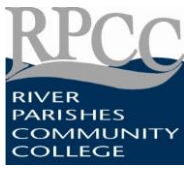
1. A Cardholder Enrollment Form (Attachment A) must be completed and signed by the Budget Unit Head for each prospective cardholder. The Budget Unit Head is responsible for assigning cardholder's spending limits per transaction and per monthly cycle which limits the number of transactions allowed for the cardholder. The form is forwarded to:
LaCarte Program Administrator
Box B-13
P.O. Box 66614
Baton Rouge, LA 70896
Phone (225) 925-7771 or Fax (225) 925-6510
2. When the Program Administrator receives the new card from the bank, the cardholder will be contacted for training. The prospective cardholder must attend a training session and sign a Cardholder Agreement Form (Attachment B) before receiving and using the credit card.
3. Credit cards are not transferable. Use by anyone other than the cardholder is prohibited. The only person authorized to use the card is the person whose name appears on the face of the card. A transaction can only be signed by the cardholder. A receipt may be signed by someone other than the cardholder if it is being used as a delivery receipt for a phone order. In this case the receipt should be signed "Received By" followed by the employee's name accepting the delivery.
4. The Program Administrator must be notified immediately of a cardholder's termination. The cardholder is responsible for return of the credit card to the Program Administrator upon termination of employment. Cardholders who transfer to a new position in RPCC and require the use of the card as part of their new duties must complete a Cardholder Enrollment Form and submit the form to the Program Administrator indicating "Change" on the form.
5. If the card is lost, stolen, or damaged, the cardholder must immediately notify Bank of America at 1-888-449-2273 and the Program Administrator at (225) 743-8614 after reporting the incident to the bank. If the card is located after reported lost or stolen, it must be destroyed.
6. Whenever any information contained on the Cardholder Enrollment Form changes, the changes must be submitted to the Program Administrator on the form with "Change" checked on the form.
7. The cardholder shall submit through their chain of command a Cardholder Enrollment Form indicating "Change" if use of the card has changed and lower or higher limits are necessary.



Supervisor/Approver Responsibilities

1. Obtain annual approver certification through the State’s online certification training program in which a passing grade of at least 90 must be obtained.
2. Obtain RPCC program training and sign an Approver Agreement Form, annually, with originals given to RPCC program administrator along with approver receiving a copy.
3. Obtain, review, and understand the state and RPCC policies and all applicable rules, regulations, policies, procedures, guidelines, statutes, executive orders and PPM49, if applicable.
4. Keep well informed of program updates as sent from RPCC program administrators or anyone associated with the State Liability P-Card Program.
5. Ensure that a log is completed by each cardholder, that the log corresponds with the monthly billing statement and that the log and statement are signed by both approver and the cardholder.
6. Always submit approvals with all necessary documentation including complete line item descriptions where generic description is on receipts such as “general merchandise” (both paper and electronic) in a timely manner.
7. Ensure that supporting documentation, including the signed log or approved electronic log and signed statement, by both approver and the cardholder, along with any findings and justifications are sent to the RPCC Business Office for review, where the documentation will be maintained in one central location, in accordance with the state’s requirements and the RPCC’s policy.
8. Immediately report any fraud or misuse, whether actual, suspected, or personal charges to the RPCC program administrator, as well as, Chancellor and other personnel/agencies as required. An approver will participate in any disciplinary actions which may be deemed appropriate, if necessary.
9. Notify an RPCC program administrator, immediately, upon separation, change in department/section or during extended leave for any cardholders in which you are the approver.
10. Complete an exit review, with the cardholder, of the cardholder’s transactions, supporting documentation and receipts, as well as, obtaining necessary signatures prior to departure.
11. Ensure that the P-Card is obtained from the employee upon separation or change in department/section and return card to RPCC program administrator. Ensure that RPCC program administrator makes necessary changes to cancel the card and to remove approver as the employee’s approver and/or employee from the list of cardholders for which approver is responsible.
12. Ensure that either approver or the cardholder notifies the RPCC program administrator if card is lost, stolen, or has fraudulent charges. Ensure the cardholder immediately notifies the bank as well.

13. Review, at a minimum annually, all cardholders which approver is designated as an approver, along with profile limits, to ensure appropriate utilization of the card and program intent. This will ensure that all cardholders limits, MCC Codes, etc., are working properly for the cardholder. If limits or codes are not allowing the cardholder to perform his duties, then approver should contact the RPCC program administrator to make necessary adjustments.
14. Ensure that cardholder is never a final approver of his own monthly transactions.
15. Ensure each transaction, to the best of approver’s knowledge:
 - Has an appropriate business purpose, fits the cardholder’s business needs, and is audited including a review of all supporting documentation.
 - Is in compliance with all current purchasing rules and regulations, statutes, executive orders, policies and PPM49, if applicable.
 - Is in compliance with RPCC’s policy and the State’s Corporate Liability P-Card/CBA policy and State Liability Travel Card and CBA Policy, if applicable.
 - Does not include state tax, as this program is state tax exempt.
 - Includes all required and complete documentation, including a detailed receipt, supporting the transaction and all documentation is scanned into Workflow and tied to the appropriate transactions.
 - Is not a duplication of personal request and/or reimbursements, if for travel related expenses.
 - Has been verified to ensure that each transaction has a receipt and the receipt’s date, supporting documentation and documentation dates, along with the log dates, correspond with known business needs or trip allowances and dates, if applicable and travel has been approved, along with program cycle dates (which begin the 6th of one month and ends the 5th of the following month).
 - Has been coded properly for payments as outlined in RPCC policy and procedures.
16. Secure all assigned WORKS application User IDs and passwords. Never share User ID and passwords and/or leave the work area while logged into the system or leave log-in information lying in an unsecure area.
17. Ensure Ebay, Paypal, Amazon, etc are tied to business accounts and are legitimate state business related purchases.
18. Understand that failure to properly fulfill responsibilities as a P-card approver could result, at a minimum, in the following:
 - Written counseling which would be placed in employee file for a minimum of 12 months.
 - Consultation with RPCC program administrators, and possibly Chancellor and LCTCS internal audit section.
 - Disciplinary actions, up to and including termination of employment.
 - Legal actions, as allowed by the fullest extent of the law.



Audit Reports

State Purchasing has created a list of reports created for agencies to use for monthly audit requirements of this program through WORKS and Intellilink. Some reports are required to be generated and reviewed at least once a month, while others have been created and designed as added value to assist in policy compliance. Although all of the reports are not required monthly, agencies are strongly encouraged to determine which of the reports are of the most value to them and should consider rotating them, at a minimum every other month.

When running these reports, it is RPCC’s responsibility to not only review the data gathered, but to make certain that transactions are for a business purpose and have a legitimate business need for the cardholder. In the event that a transaction is being investigated, the cardholder must explain and justify the transaction being questioned. Based on the cardholder’s explanation, RPCC should address the situation accordingly.

All documentation/findings/replies, resulting from the monthly audit of P-card transactions, are to be centrally located and readily available for any internal or external audits that may occur. Most reports are available through VISA Intellilink. Intellilink’s data is available for a 27 rotating month period. If RPCC requires documentation retention for more than 27 months, it is the responsibility of RPCC to obtain and archive the transaction data accordingly.

Monthly certification that the above procedures have been conducted must be submitted to the Office of State Travel. The certification will indicate that RPCC personnel administering the P-card program have generated the required reports, all requirements listed in the policy have been completed, and necessary findings have been investigated, documented and handled appropriately.

In addition, reports shall be used as a tool to assist the RPCC program administrator/agency with determining which cardholders may need a refresher training course, re-certification of the state’s online training, counseling, cancellation of card, due to inaccuracies, etc., as well as, to determine possible changes to cardholder’s limits, profiles, and MCC groups.

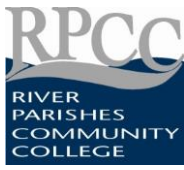
When WORKS Workflow implementation has been completed, a Billing Cycle Purchase Log report will be available for print. It is an un-editable, PDF, formatted report. The WORKS Workflow system data is generated at the time of report request with the most current signoff information with the date and time stamp of the approval captured in the audit tracking along with all documentation which has been scanned to support P-card transactions and tied to the appropriate transaction. Always ensure that the correct cycle period/dates are entered when printing the log report. Cycle dates for the program begin on the 6th of one month and ends on the 5th of the following month.

Once RPCC has implemented WORKS Workflow, there are additional reports that can be created to give cardholder approvers, accountants, RPCC program administrators, auditors, and management information to monitor the compliance of their cardholders and staff.



Cardholder Responsibilities

1. Use P-Card for official state business only. No personal use. P-Card is limited to the person whose name is embossed on the card. The P-Card shall not be used to pay for another or loaned to another person to pay for official or non-official business expenses.
2. Attend required RPCC training and sign a State Corporate Liability Cardholder Agreement Form, annually, acknowledging cardholder’s responsibilities, prior to receiving the card.
3. Obtain annual cardholder certification through the State’s online certification training program receiving a passing grade of at least 90 to possess or continue to possess a State of Louisiana P-Card.
4. Never include the full P-Card account number in emails, fax, reports, memos, etc. If an account number is necessary, only the use of the last four or eight digits of the account number is allowed.
5. Secure assigned WORKS application User IDs. Never share User ID and password and/or leave work area while logged into the system or leave log-in information lying in an unsecure area.
6. Recognize that the P-Card is the property of the State of Louisiana and the cardholder is responsible for the physical security and control of the P-Card and its appropriate use. The Cardholder is also responsible for maintaining the security of card data such as the account number, the expiration date, and the card verification value (CVV), the 3-digit security code located on the back of the card.
7. Never send a copy of the P-Card if requested by a merchant. If this is required for payment, then the cardholder must use another form of payment other than the State Liability P-Card.
8. Never use an individual P-Card for personal, non-business expenses for any reason.
9. Never pay taxes on purchases with this card, since it is a state liability.
10. Never, under any circumstances, use the P-Card to access or attempt to access cash.
11. Never accept cash in lieu of a credit to the P-Card account.
12. Never use P-Card for gift cards/gift certificates, without prior approval from the Office of State Purchasing and Travel, as they are considered cash and taxable.
13. Never use P-Cards to avoid procurement or payment procedures.
14. Never use the P-Card for the purchase of alcohol, food, travel expense transactions, or entertainment services. The only exceptions are vehicle rentals.
15. Never use the P-Card for fuel or vehicle maintenance since RPCC is part of the Fuel Card and Maintenance Program.



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16. Submit all required transaction documentation (both paper and un-editable electronic format), special approvals, etc., timely. Remember, every transaction must have a receipt with a full description, not a generic description such as “general merchandise” or item should be fully documented/described elsewhere (both paper and un-editable electronic format). Failure to do so should result in cancellation of P-Card. All paper supporting documentation, including the signed log or approved electronic log and signed memo statement, along with any findings and justifications is to be scanned into Workflow and tied to each applicable transaction. All mentioned above, will be sent to the supervisor/approver for required audit and signatures, and forwarded to the RPCC Business Office for review and file maintenance.
17. **NEVER MAKE A PAYMENT DIRECTLY TO THE BANK** in the event that an unauthorized charge is placed on the individual’s state corporate liability P-Card. Making a payment directly to the bank will cause the monthly statement billing file to be out of balance, and RPCC will have to determine the cause. Ultimately, it will be determined that a personal payment was made. In order to avoid this situation, report any unauthorized charges to the RPCC’s program administrator immediately, along with decision on how the funds will be reimbursed back to RPCC.
18. Notify RPCC’s program administrator if fraudulent charges are noticed, as the card may need to be cancelled and another card issued.
19. Notify RPCC’s program administrator if use of a card has changed and lower or higher limits are necessary.
20. Responsible for requesting additional training if the use of the online Works system proves to be difficult to master
21. Agrees to reimbursement of unauthorized charges by personal check or payroll deduction.
22. Makes purchases for which the cardholder has been authorized to spend and does not exceed their single transaction limit.
23. Card declines due to exceeding monthly or single transaction limit may result in cancellation of the card (see Card Misuse section).
24. Online accounts such as Ebay, Paypal, Amazon, etc must have a standalone business account or registration and must not be combined with an individual’s personal account.
25. Cardholder’s business email address must match the cardholder’s name.

Making a Purchase

Merchants Category Codes (MCC) have been developed and built into the card. These codes authorize the types of goods and/or services for which individual cards may be used (i.e. office supplies). A list of Merchants Category Codes is furnished to cardholders. Included in the list are prohibited and restricted codes. Cardholders are prohibited from attempting to purchase from the prohibited or restricted merchants unless RPCC has obtained prior approval from the Office of State Purchasing and Travel.

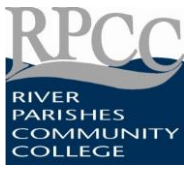
RPCC purchasing procedures will remain the same. Procedures for making card purchases:

1. Obtain necessary approvals to purchase through proper chain of command.
2. When making purchases in person, the cardholder must sign the charge receipt and retain the customer copy or proper documentation of the purchase. Cardholder should be certain that the total amount of the purchase (including shipping, handling, postage, freight, etc.) does not exceed the card’s single transaction dollar limit.
3. State sales tax should not be charged on card purchases.
4. When making a purchase other than in person (e.g. via telephone, computer, mail order, etc.), the cardholder should give the vendor the account number and tax exempt number (both of which are embossed on the card) and direct the vendor to include the following on the shipping label or packing slip.
 - Cardholder name and telephone number
 - Department name
 - Complete delivery address
 - VISA purchase
5. For items such as subscriptions and registrations, where the vendor does not normally generate a receipt or packing slip, a copy of the ordering document may be used. Acceptable documentation must include a line description and line item pricing for the purchase or the item will not be reimbursed.
6. The cardholder must maintain a file of transactions including document purchase type (telephone, computer, mail order, etc.) to facilitate monthly reconciliation. The cardholder will be solely responsible for reconciling his statement with the database.
7. In the event the Receiving Department receives a shipment on behalf of the cardholder, Receiving Department personnel will notify the cardholder of receipt. The cardholder will be responsible for retaining all documentation (shipping labels, packing slips, etc.) related to the purchase.
8. The cardholder will maintain a permanent file of all supporting documentation for card purchases, in accordance with state laws. The documentation is subject to review by RPCC, the Legislative Auditor and other duly authorized auditors. The file must be maintained for a period of 3 years. If the purchase is for a grant funded project, the cardholder is responsible for ensuring the documentation is maintained for the appropriate required retention schedule.



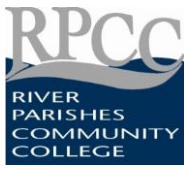
Merchandise Returns & Exchanges

1. The cardholder is responsible for contacting the merchant when merchandise purchased with the card is not acceptable (incorrect, damaged, defective, etc.) and arranging for the return for credit or exchange.
2. If the merchandise is to be exchanged, the cardholder is responsible for returning the merchandise to the merchant and obtaining a replacement as soon as possible. Documentation of the resolution of the exchange is to be retained with the support documentation of that purchase.
3. If the merchandise is returned in person, the cardholder is responsible for obtaining a credit receipt from the merchant and retaining the receipt with the support documentation. If the merchandise is shipped back to the supplier, prepare the package according to supplier instructions and retain shipping documents until supplier issues a credit or exchanges merchandise. Supplier must issue credit to the card. Receiving cash or checks to resolve a credit is prohibited.



State Corporate Business Account (CBA) Requirements/Guidelines

1. All CBA transactions must be in accordance with PPM49 guidelines, State Liability Travel Card and CBA Policy, Purchasing Policies, Rules and Regulations, Louisiana Statutes and/or Executive Orders.
2. The purpose of a CBA is to provide a tool for RPCC to purchase airfare, conference registrations and assist with payment of high dollar travel expenses only, as per current State Liability Travel Card and CBA Policy. Please note that although other travel related charges are now allowed on the CBA account, the traveler should be aware that there is no plastic issued for a CBA to ensure that this will not impair his travel plans.
3. The account(s) are issued in the name of RPCC, and the RPCC program administrator is the primary point of contact for administering the accounts. RPCC may designate an administrator/authorizer per account. Each administrator has the same duties, obligations and responsibilities as a cardholder. The contract travel agency must be notified of authorizers for each CBA account.
4. CBA account(s) shall have an overall card cycle limit determined by RPCC. These limits should reflect RPCC's travel patterns. Therefore, these limits must be judiciously established by RPCC and adhered to accordingly. The RPCC Program Administrator may establish a new or additional CBA account through Bank of America's on-line system, WORKS.
5. The CBA accounts are the direct liability of the State. RPCC is responsible for ensuring all accounts are paid timely and in full each month with ONE electronic funds transfer (EFT) to Bank of America.
6. CBA accounts do not allow issuance of a plastic card. These are referred to as ghost accounts. If it is determined that personal or other unauthorized charges are occurring on the CBA account, appropriate steps, up to and including dismissal, shall be taken to resolve the misuse/abuse of the account.
7. The full CBA account number shall never be included in emails, fax, reports, memos, etc. If an account number is necessary, only the use of the last four or eight digits of the account number is allowed.
8. All persons with approval for use of travel on their P-Card shall follow the Statewide Travel card policy and procedures and PPM49.



Reconciliation

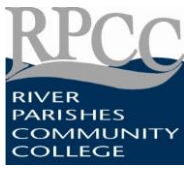
RPCC has procedures and controls in place for prompt payment, reconciliation, and cost distribution of charges and credits. Post audits of cardholder transactions will be performed to monitor the number and dollar amount of purchases made, vendor used, and detailed transaction information to properly allocate the cost.

1. The paper billing statements from Bank of America will be mailed directly to each cardholder at the business address. The cardholder must reconcile purchases made during the billing cycle by matching the billing statement to the online transaction log in WORKS, along with the cardholder’s supporting documentation (receipts). The documentation will be reviewed and certified by the cardholder as received OR reported as a disputed item if the documentation does not match the transaction online information. The cardholder shall allocate the expense to the appropriate budget categories and sign off electronically in WORKS on each transaction by the 8th of the month. This information will be queued for supervisory review and approval.
 - If supporting documentation is lost and duplicate documentation cannot be obtained from the vendor, an RPCC Missing Receipt Form (Attachment C) must be completed and filed in the cardholder’s files.
 - If a charge or credit does not appear on the statement within 60 days after the original charge or credit was made, the cardholder must notify the Program Administrator.
 - Incorrect charges are disputed online in the WORKS system.
2. The Approver must review the information in WORKS, along with the documentation submitted by the cardholder. Approver must verify that acceptable documentation exists (including line item description, price and coding) to support each purchase and/or credit, verify that purchases are for official state business, and that purchases comply with appropriate rules and regulations. The Approver shall approve the log by signing off in WORKS to certify his review and approval. A cardholder shall not, and cannot, approve his own monthly purchasing log in WORKS. The WORKS transaction log must be reviewed and approved (signed off) by the Approver for the previous billing cycle by the 11th of the month.

Once approved and returned to the cardholder, the cardholder shall print a copy of the Billing Cycle Purchase Log to file with the billing statement and transaction documentation. This log will document the electronic approvals and coding in addition to the electronic approvals tracked within WORKS online system.

Note: If the Approver determines that personal or unauthorized charges are made on the card, the transaction is “flagged” in WORKS, which returns it to the cardholder, with a comment, for resolution. If repeated issues occur, appropriate steps shall be taken to resolve the misuse/abuse of the card. When an unapproved item was purchased and it is discovered during review, the item should be returned for a credit memo. If the item is nonrefundable, the employee must reimburse RPCC for this purchase.

3. If a cardholder’s transactions are not signed off timely, the card balance will not be fully refreshed to the full monthly credit limit until all transactions are completed (signed-off) for all previous cycles.
4. All supporting documentation, including the signed log or approved electronic log and signed memo statement, by both cardholder and approver, along with any findings and justifications, must then be forwarded to the RPCC Business Office for review and maintenance of the file.



Corporate Liability “LaCarte” Purchasing Card Policy

Once all approvals and audits by cardholder approvers have been obtained and forwarded to the RPCC Business Office, the RPCC Business Office must review receipts in the program journal vouchers to correct any necessary coding changes.

Card Misuse

1. **Fraud Purchase** – any use of the P-card/CBA which is determined to be an intentional attempt to defraud the state for personal gain or for the personal gain of others.

An employee suspected of having misused the P-Card/CBA with the intent to defraud the state will be subjected to an investigation. Should the investigation result in findings which show that the actions of the employee have caused impairment to state service, and should those findings be sufficient to support such action, the employee will be subject to disciplinary action. The nature of the disciplinary action will be at the discretion of the Chancellor and will be based on the investigation findings and the record of the employee. Any such investigation and ensuing action shall be reported to the LCTCS Internal Audit Director, the Legislative Auditor, the Office of Inspector General and the Director of the Office of State Purchasing and Travel.

2. **Non-Approved Purchase** – a purchase made by a State cardholder for whom payment by the state is unapproved. A non-approved purchase differs from a fraud purchase in that it is a non-intentional misuse of the P-card/CBA with no intent to deceive RPCC for personal gain or for the personal gain of others.

A non-approved purchase is generally the result of a miscommunication between a supervisor and the cardholder. A non-approved purchase could occur when the cardholder mistakenly uses the P-card/CBA rather than a personal card.

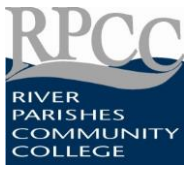
When a non-approved purchase occurs, the cardholder should be counseled to use more care in handling of the P-card/CBA. The counseling should be in writing and maintained in the employee’s file for no longer than one year unless another incident occurs. The employee shall pay for the item purchased inappropriately. Should another incident of a non-approved purchase occur within a twelve (12) month period, the Chancellor should consider revocation of the P-card/CBA.

3. **Same Vendor/Same Day (Split Purchasing)** – A split purchase occurs when a cardholder purchases like commodities within a limited time frame, while exceeding the single purchase limit set for cardholder. Purchases shall not be artificially divided to avoid the single purchase limit (SPL) or procurement procedures.
4. **Merchant Forced Transaction** – Commercial cards are accepted by a variety of merchants that process transactions only if approved by the issuing bank thereby abiding by the card controls in place. Merchant transactions are processed using one of the two steps as follows:
 1. Merchants process transactions against card controls (MCC, limits, expiration date, etc.) and, if approved, receive an authorization number.
 2. Merchants submit the transactions for payment from the bank.
 3. In rare instances, merchants will circumvent the authorization process and only perform step 2. This means that the merchant did not process the transaction against the card controls and therefore did not receive an authorization number.
 4. If this happens, the merchant has forfeited all dispute rights and the transaction can be disputed and unless the merchant can provide a valid authorization number, the dispute will be resolved in the cardholders favor.

5. **Card and WORKS User ID/Password Security** – Each cardholder, CBA administrator, RPCC program administrator, auditor, cardholder approver, etc is responsible for the security of their card, User ID(s) and password(s), and therefore should:
 - Never display their card account number, WORKS and WORKS Workflow User ID numbers and passwords around their work area
 - Never share User IDs and passwords and/or leave work area while logged into the system or leave log-in information lying in an unsecure area
 - Never give his or her card account number, User IDs or passwords to someone else
 - Never email the full account numbers or User IDs numbers or passwords under any circumstances

Consequences of Card Misuse

1. Suspension/cancellation of card.
2. Written counseling which would be placed in employee file for a minimum of 12 months.
3. Consultation with RPCC program administrators, and possibly Chancellor and LCTCS internal audit.
4. Disciplinary actions, up to and including termination of employment.
5. Legal actions, as allowed by the fullest extent of the law.



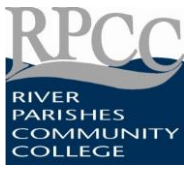
Sales Tax

1. LA state sales tax should not be charged on card purchases.
2. In the event state sales tax is charged and a credit is warranted, it will be the cardholder’s responsibility to have the vendor (not Bank of America) issue a credit to the cardholder’s account.
3. It is State Policy not to pay LA sales tax; however, RPCC may exempt cardholders from obtaining a credit from the vendor for the state sales tax charges of \$25.00 or less. If a cardholder continually allows taxes of \$25.00 or less to be charged to the card, corrective measures must be taken. It is RPCC’s responsibility to monitor these sales tax transactions to ensure corrective action is taken against repeat offenders.
4. See current State Liability Travel card and CBA Policy for travel exemptions



Documentation

1. Ensure that documentation is adequate and sufficient to adhere to current purchasing policies, rules, regulations, statutes, executive orders, State Liability “LaCarte” Purchasing Card and CBA Policy, for recording of expenditures in the RPCC accounting system and the State Liability Travel card and CBA Policy and PPM49, if applicable. RPCC must ensure that all supporting documentation along with receipts are scanned and attached to each corresponding transaction. RPCC should ensure that immediate supervisors/approvers are verifying and ensuring that these controls are being met and that transactions are appropriate, accurate, have a business case and business need for the purchase, all receipt dates and other supporting documentation dates are applicable with known need or business travel, if applicable, and approved. Documentation of approval must be accomplished electronically online by signing off on the transaction. Approval by the approver certifies that the documentation is acceptable for each transaction, that it was for official state business, that it is in compliance with appropriate rules and regulations, etc., as mentioned above, and that it has been reviewed and is approved.
2. Documentation is required for all purchases and credits. For items purchased over the counter, the cardholder should obtain the customer copy of the receipt. When ordering by telephone, fax, or computer, the cardholder must obtain a packing list or similar document. For items such as registrations, where the vendor does not normally generate a receipt or packing slip, a copy of the ordering document may be used. Acceptable documentation must include a line description, with full description not a generic “general merchandise” description, and line item pricing for the purchase. Electronic receipts are allowed if they are un-editable and are maintained in compliance with the RPCC retention policy.
3. For internet purchases, the print out of the order confirmation showing the details, or the printout of the order details, or the shipping document if it shows what was purchased, the quantity and the price paid suffice for the itemized receipts.
4. The RPCC cardholder approvers will forward all supporting documentation along with invoices, receipts and signed paper or approved electronic log, by both cardholder and approver, and signed statement, by both cardholder and approver, and any findings and justifications to the RPCC Business Office for review and for maintenance of the files in accordance with record retention laws. This file must be centrally located in the RPCC Business Office and will be subject to review by the Office of State Purchasing and Travel, the Louisiana Legislative Auditors Office, and any other duly authorized auditor.
5. All system entries and scanned supporting documentation, when utilizing Workflow and electronic approvals are maintained electronically within the WORKS Workflow online system for up to 3 years. If RPCC requires documentation retention for more than 3 years, it is the responsibility of RPCC to obtain and archive the transaction data annually. If the purchase is for a grant funded project, the cardholder is responsible for ensuring the documentation is maintained for the appropriate, required retention schedule.



Dispute Resolution

The cardholder’s first recourse is to contact the merchant to try and resolve problems regarding disputed items, charges or quality.

1. If the merchant agrees the error has been made, he will credit the cardholder’s account. The credit will appear on the next monthly billing statement. The cardholder should check the next statement for the credit.
2. If the problem with the vendor is not resolved, the Statement of Disputed Item (Attachment D) must be completed and mailed or faxed with required enclosures within 60 days from the billing close date (5th of each month) to:

Bank of America-Commercial Card Service Operation
P.O. Box 53142
Phoenix, AZ 85072-3142
Phone (800) 352-4027 Fax (888) 678-6046

A copy of the dispute form should be faxed to the Program Administrator at (225) 644-8251.

3. The transaction will be paid; therefore, it is important for the cardholder to mark the online WORKS transaction as “DISPUTED.” The cardholder should retain a copy of the disputed documentation and verify receipt of the credit on future statements.
4. All disputes will be resolved by Bank of America within 180 days.

Fraudulent Charge

In the event of a fraudulent charge, the cardholder shall complete the following steps:

1. Contact the Bank of America’s Security Division at (877) 451-4602.
2. Sign and return the affidavit provided by Bank of America.
3. Notify the LaCarte Program Administrator (225) 925-7771 of the fraudulent charge.
4. Submit a copy of the fraudulent charge affidavit to the LaCarte Program Administrator.
5. Indicate the fraudulent charge in the comment section of the transaction during online reconciliation in WORKS.